

News Release

FOR RELEASE: December 29, 1986
Contact: Charles Pollock
Michael Codel

MACHINE TOOL ORDERS FALL IN NOVEMBER

November machine tool orders were down 26.3% compared to October, dropping to \$132.70 million from \$180.15 million. Metal cutting machine tool orders fell 35.8%, to \$83.95 million, while metal forming equipment orders fell 1.1% to \$48.75 million.

Machine tool shipments for November stood at \$166.80 million, a drop of 31.3% from the October's \$242.80 million. This represents a 36.4% drop, to \$116.70 million, in shipments of metal cutting equipment and a 15.5% drop, to \$50.10 million, in shipments of metal forming equipment.

"We close out 1986 with a very mixed picture, capital spending plans for major industries remain unclear," said James A. Gray, president of the National Machine Tool Builders' Association. Looking toward the new year, he expressed, "particular optimism about the effects of the Voluntary Restraint Agreements signed in December by Taiwan and Japan. We are relieved that the Administration has recognized the threat to the national security caused by the transfer of more and more machine tool manufacturing capacity to other countries and the concurrent loss of manufacturing capacity here at home. With the erosion stayed, U.S. manufacturers will have the opportunity to rebuild." He noted that, recognizing the seriousness of the issue, the Administration has issued

(MORE)

IMTS
International Machine Tool Builders' Association

a Domestic Action Plan aimed at facilitating the recovery of the nation's machine tool industry and added, "The U.S. machine tool industry is ready and anxious to do its part in returning this nation to a position of industrial strength."

Combined orders for November were down 32.0% compared to the \$195.10 million in combined orders for November 1985. Year-to-date order totals were also off, having fallen from \$2,353.05 million in 1985 to \$1,988.85 million in 1986, a 15.5% drop. Orders for metal cutting machine tools fell to \$1,457.00 million for the year, a 16.1% drop; while orders for metal forming equipment fell to \$531.85 million, a 13.7% drop.

November machine tool shipments were down 16.2% compared to the \$199.15 million for November one year ago. Year-to-date shipment figures show a 6.3% rise, going from \$2,170.85 million in 1985 to \$2,307.25 million in 1986. Cumulative figures for 1986 show metal cutting machine tool shipments rising 15.2%, up to \$1,675.20 million, and metal forming machine tool shipments falling 11.8%, down to \$632.05 million.

Machine tool order backlogs for November fell to \$1,339.15 million, down from the \$1,373.25 million posted in October.

COMPARISON CHART

NET NEW ORDERS -- MACHINE TOOLS (Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
NOV 1986	75.85	8.10	83.95	42.40	6.35	48.75	118.25	14.45	132.70
OCT 1986	114.95	15.90	130.85	44.45	4.85	49.30	159.40	20.75	180.15
% CHANGE									
NOV 1986:OCT 1986	-34.0	-49.1	-35.8	-4.6	+30.9	-1.1	-25.8	-30.4	-26.3
NOV 1985	162.70	8.85	171.55	20.95	2.60	23.55	183.65	11.45	195.10
% CHANGE									
NOV 1986:NOV 1985	-53.4	-8.5	-51.1	+102.4	+144.2	+107.0	-35.6	+26.2	-32.0
YEAR TO DATE 1986	1,302.50	154.50	1,457.00	469.85	62.00	531.85	1,772.35	216.50	1,988.85
YEAR TO DATE 1985	1,542.10	194.40	1,736.50	556.80	59.75	616.55	2,098.90	254.15	2,353.05
% CHANGE									
1986 : 1985	-15.5	-20.5	-16.1	-15.6	+3.8	-13.7	-15.6	-14.8	-15.5

SHIPMENTS -- MACHINE TOOLS (Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
NOV 1986	104.30	12.40	116.70	44.80	5.30	50.10	149.10	17.70	166.80
OCT 1986	170.40	13.10	183.50	52.40	6.90	59.30	222.80	20.00	242.80
% CHANGE									
NOV 1986:OCT 1986	-38.8	-5.3	-36.4	-14.5	-23.2	-15.5	-33.1	-11.5	-31.3
NOV 1985	126.35	13.05	139.40	52.90	6.85	59.75	179.25	19.90	199.15
% CHANGE									
NOV 1986:NOV 1985	-17.5	-5.0	-16.3	-15.3	-22.6	-16.2	-16.8	-11.1	-16.2
YEAR TO DATE 1986	1,495.50	179.70	1,675.20	578.25	53.80	632.05	2,073.75	233.50	2,307.25
YEAR TO DATE 1985	1,324.95	129.45	1,454.40	660.45	56.00	716.45	1,985.40	185.45	2,170.85
% CHANGE									
1986 : 1985	+12.9	+38.8	+15.2	-12.4	-3.9	-11.8	+4.4	+25.9	+6.3

Source: National Machine Tool Builders' Association



TOTAL INDUSTRY ESTIMATE
MACHINE TOOLS - CUTTING AND FORMING
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)



DATE	NET NEW ORDERS			Order Backlog	SHIPMENTS		
	Domestic	Foreign	Total		Domestic	Foreign	Total
1985	\$ 262.15	\$ 265.95	\$ 2,528.10	1,657.55	\$ 2,291.45	\$ 253.75	\$ 2,545.20
1986							
JAN	\$ 174.95	\$ 15.80	\$ 190.75	1,702.45	\$ 124.85	\$ 21.00	\$ 145.85
FEB	\$ 198.25	\$ 12.15	\$ 210.40	1,710.20	\$ 185.65	\$ 17.00	\$ 202.65
MAR	\$ 196.80	\$ 17.80	\$ 214.60	1,676.00	\$ 219.30	\$ 29.50	\$ 248.80
APR	\$ 169.25	\$ 24.00	\$ 193.25	1,659.70	\$ 190.80	\$ 18.75	\$ 209.55
MAY	\$ 177.00	\$ 29.20	\$ 206.20	1,636.35	\$ 207.10	\$ 22.45	\$ 229.55
JUN	\$ 190.55	\$ 10.60	\$ 201.15	1,525.60	\$ 289.00	\$ 22.90	\$ 311.90
JUL	\$ 135.30	\$ 34.70	\$ 170.00	1,505.55	\$ 172.50	\$ 17.55	\$ 190.05
AUG	\$ 139.00	\$ 15.40	\$ 154.40	1,508.60	\$ 131.55	\$ 19.80	\$ 151.35
SEP	\$ 113.60	\$ 21.65	\$ 135.25	1,435.90	\$ 181.10	\$ 26.85	\$ 207.95
OCT	\$ 159.40	\$ 20.75	\$ 180.15	1,373.25	\$ 222.80	\$ 20.00	\$ 242.80
NOV (P)	\$ 118.25	\$ 14.45	\$ 132.70	1,339.15	\$ 149.10	\$ 17.70	\$ 166.80
11 MONTHS	\$ 1,772.35	\$ 216.50	\$ 1,988.85		\$ 2,073.75	\$ 233.50	\$ 2,307.25

DATE	GROSS NEW ORDERS			CANCELLATIONS		
	Domestic	Foreign	Total	Domestic	Foreign	Total
1985	\$ 2,433.30	\$ 282.65	\$ 2,715.95	\$ 171.15	\$ 16.70	\$ 187.85
1986						
JAN	\$ 180.65	\$ 17.20	\$ 197.85	\$ 5.70	\$ 1.40	\$ 7.10
FEB	\$ 214.85	\$ 14.65	\$ 229.50	\$ 16.60	\$ 2.50	\$ 19.10
MAR	\$ 203.35	\$ 18.40	\$ 221.75	\$ 6.55	\$.60	\$ 7.15
APR	\$ 181.10	\$ 24.45	\$ 205.55	\$ 11.85	\$.45	\$ 12.30
MAY	\$ 183.50	\$ 29.50	\$ 213.00	\$ 6.50	\$.30	\$ 6.80
JUN	\$ 215.90	\$ 15.20	\$ 231.10	\$ 25.35	\$ 4.60	\$ 29.95
JUL	\$ 164.25	\$ 35.30	\$ 199.55	\$ 28.95	\$.60	\$ 29.55
AUG	\$ 149.05	\$ 16.50	\$ 165.55	\$ 10.05	\$ 1.10	\$ 11.15
SEP	\$ 143.40	\$ 22.35	\$ 165.75	\$ 29.80	\$.70	\$ 30.50
OCT	\$ 167.65	\$ 21.90	\$ 189.55	\$ 8.25	\$ 1.15	\$ 9.40
NOV (P)	\$ 127.40	\$ 15.10	\$ 142.50	\$ 9.15	\$.65	\$ 9.80
11 MONTHS	\$ 1,931.10	\$ 230.55	\$ 2,161.65	\$ 158.75	\$ 14.05	\$ 172.80

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.



INDUSTRY ESTIMATE
METAL CUTTING TYPE MACHINE TOOLS
 New Orders, Cancellations, Shipments and Backlog
 (Millions of Dollars)

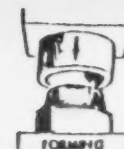
DATE	NET NEW ORDERS			Order Backlog	SHIPMENTS		
	Domestic	Foreign	Total		Domestic	Foreign	Total
1985	\$ 1,652.15	\$ 200.95	\$ 1,853.10	1,243.30	\$ 1,548.50	\$ 193.75	\$ 1,742.25
1986							
JAN	\$ 124.75	\$ 10.25	\$ 135.00	1,286.80	\$ 74.05	\$ 17.45	\$ 91.50
FEB	\$ 160.65	\$ 7.95	\$ 168.60	1,331.50	\$ 109.50	\$ 14.40	\$ 123.90
MAR	\$ 146.05	\$ 13.85	\$ 159.90	1,319.85	\$ 148.20	\$ 23.35	\$ 171.55
APR	\$ 118.30	\$ 17.85	\$ 136.15	1,303.90	\$ 140.05	\$ 12.05	\$ 152.10
MAY	\$ 118.50	\$ 23.20	\$ 141.70	1,273.15	\$ 153.10	\$ 19.35	\$ 172.45
JUN	\$ 145.65	\$ 11.15	\$ 156.80	1,185.15	\$ 226.70	\$ 18.10	\$ 244.80
JUL	\$ 99.25	\$ 29.55	\$ 128.80	1,164.85	\$ 135.90	\$ 13.20	\$ 149.10
AUG	\$ 108.60	\$ 6.50	\$ 115.10	1,171.70	\$ 92.50	\$ 15.75	\$ 108.25
SEP	\$ 89.95	\$ 10.20	\$ 100.15	1,110.50	\$ 140.80	\$ 20.55	\$ 161.35
OCT	\$ 114.95	\$ 15.90	\$ 130.85	1,057.85	\$ 170.40	\$ 13.10	\$ 183.50
NOV (P)	\$ 75.85	\$ 8.10	\$ 83.95	1,025.10	\$ 104.30	\$ 12.40	\$ 116.70
11 MONTHS	\$ 1,302.50	\$ 154.50	\$ 1,457.00		\$ 1,495.50	\$ 179.70	\$ 1,675.20

DATE	GROSS NEW ORDERS				CANCELLATIONS		
	Domestic	Foreign	Total		Domestic	Foreign	Total
1985	\$ 1,769.20	\$ 213.45	\$ 1,982.65		\$ 117.05	\$ 12.50	\$ 129.55
1986							
JAN	\$ 129.30	\$ 11.45	\$ 140.75		\$ 4.55	\$ 1.20	\$ 5.75
FEB	\$ 165.70	\$ 9.95	\$ 175.65		\$ 5.05	\$ 2.00	\$ 7.05
MAR	\$ 150.55	\$ 14.30	\$ 164.85		\$ 4.50	\$.45	\$ 4.95
APR	\$ 127.40	\$ 18.25	\$ 145.65		\$ 9.10	\$.40	\$ 9.50
MAY	\$ 122.75	\$ 23.45	\$ 146.20		\$ 4.25	\$.25	\$ 4.50
JUN	\$ 159.55	\$ 11.95	\$ 171.50		\$ 13.90	\$.80	\$ 14.70
JUL	\$ 116.50	\$ 30.10	\$ 146.60		\$ 17.25	\$.55	\$ 17.80
AUG	\$ 114.30	\$ 7.55	\$ 121.85		\$ 5.70	\$ 1.05	\$ 6.75
SEP	\$ 110.20	\$ 10.85	\$ 121.05		\$ 20.25	\$.65	\$ 20.90
OCT	\$ 121.75	\$ 16.60	\$ 138.35		\$ 6.80	\$.70	\$ 7.50
NOV (P)	\$ 83.95	\$ 8.20	\$ 92.15		\$ 8.10	\$.10	\$ 8.20
11 MONTHS	\$ 1,401.95	\$ 162.65	\$ 1,564.60		\$ 99.45	\$ 8.15	\$ 107.60

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.

INDUSTRY ESTIMATE
METAL FORMING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)



DATE	NET NEW ORDERS			Order Backlog	SHIPMENTS		
	Domestic	Foreign	Total		Domestic	Foreign	Total
1985	\$ 610.00	\$ 65.00	\$ 675.00	414.25	\$ 742.95	\$ 60.00	\$ 802.95
1986							
JAN	\$ 50.20	\$ 5.55	\$ 55.75	415.65	\$ 50.80	\$ 3.55	\$ 54.35
FEB	\$ 37.60	\$ 4.20	\$ 41.80	378.70	\$ 76.15	\$ 2.60	\$ 78.75
MAR	\$ 50.75	\$ 3.95	\$ 54.70	356.15	\$ 71.10	\$ 6.15	\$ 77.25
APR	\$ 50.95	\$ 6.15	\$ 57.10	355.80	\$ 50.75	\$ 6.70	\$ 57.45
MAY	\$ 58.50	\$ 6.00	\$ 64.50	363.20	\$ 54.00	\$ 3.10	\$ 57.10
JUN	\$ 44.90	\$ -.55	\$ 44.35	340.45	\$ 62.30	\$ 4.80	\$ 67.10
JUL	\$ 36.05	\$ 5.15	\$ 41.20	340.70	\$ 36.60	\$ 4.35	\$ 40.95
AUG	\$ 30.40	\$ 8.90	\$ 39.30	336.90	\$ 39.05	\$ 4.05	\$ 43.10
SEP	\$ 23.65	\$ 11.45	\$ 35.10	325.40	\$ 40.30	\$ 6.30	\$ 46.60
OCT	\$ 44.45	\$ 4.85	\$ 49.30	315.40	\$ 52.40	\$ 6.90	\$ 59.30
NOV (P)	\$ 42.40	\$ 6.35	\$ 48.75	314.05	\$ 44.80	\$ 5.30	\$ 50.10
11 MONTHS	\$ 469.85	\$ 62.00	\$ 531.85		\$ 578.25	\$ 53.80	\$ 632.05
DATE	GROSS NEW ORDERS				CANCELLATIONS		
	Domestic	Foreign	Total		Domestic	Foreign	Total
1985	\$ 664.10	\$ 69.20	\$ 733.30		\$ 54.10	\$ 4.20	\$ 58.30
1986							
JAN	\$ 51.35	\$ 5.75	\$ 57.10	\$	1.15	\$.20	\$ 1.35
FEB	\$ 49.15	\$ 4.70	\$ 53.85	\$	11.55	\$.50	\$ 12.05
MAR	\$ 52.80	\$ 4.10	\$ 56.90	\$	2.05	\$.15	\$ 2.20
APR	\$ 53.70	\$ 6.20	\$ 59.90	\$	2.75	\$.05	\$ 2.80
MAY	\$ 60.75	\$ 6.05	\$ 66.80	\$	2.25	\$.05	\$ 2.30
JUN	\$ 56.35	\$ 3.25	\$ 59.60	\$	11.45	\$ 3.80	\$ 15.25
JUL	\$ 47.75	\$ 5.20	\$ 52.95	\$	11.70	\$.05	\$ 11.75
AUG	\$ 34.75	\$ 8.95	\$ 43.70	\$	4.35	\$.05	\$ 4.40
SEP	\$ 33.20	\$ 11.50	\$ 44.70	\$	9.55	\$.05	\$ 9.60
OCT	\$ 45.90	\$ 5.30	\$ 51.20	\$	1.45	\$.45	\$ 1.90
NOV (P)	\$ 43.45	\$ 6.90	\$ 50.35	\$	1.05	\$.55	\$ 1.60
11 MONTHS	\$ 529.15	\$ 67.90	\$ 597.05	\$	59.30	\$ 5.90	\$ 65.20

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.